### **MBE Frequently Asked Questions**

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#### 1. What are the benefits of certification?

The purpose of the Minority Business Certification Program is to increase the opportunity for minority firms to sell their products and services to the State of Wisconsin. A certified minority business is eligible for a 5 percent bid preference on state purchases.

At least 5 percent of state purchasing and contracting is targeted for certified minority-owned businesses.

Certified minority-owned firms are eligible for a low-bid waiver as long as their bid is no higher than 5 percent of the lowest qualified responsible bidder.

Certified minority-owned firms are can receive technical and marketing assistance, including participation in Marketplace, a statewide minority business marketing conference sponsored by the Wisconsin Department of Commerce.

Certified minority-owned firms are eligible to be listed in the State of Wisconsin's Directory of Minority-Owned Businesses which is circulated to corporate buyers throughout the and state purchasing agents

## 2. Does it cost anything for an MBE certification? No.

## 3. Does it cost anything to become certified if I already have a DBE or WBE certified?

No

### 4. How long is the certification valid?

The MBE certification is valid for one year.

## 5. How and when will the department notify the MBE certified business of their renewal?

The department shall send the business a certification application form at least 60 days prior to the expiration date of its certification. As part of the review, the department may collect or require submittal of further information for the MBE. The review shall address whether the MBE is continuing to comply with Comm. 104. Unless the MBE certified business is notified by the department, the certification shall renew for the following year.

# 6. What is required of an MBE certified business if they receive a department's notification of the intent to deny certification, renewal of a certification, to deny recertification or to decertify?

The MBE certified business shall have 30 calendar days from the date of the department's notification to submit a written request for an informal hearing. If no request is made for an informal hearing, the determination to deny certification, renewal of certification, deny recertification or decertification shall become final and the department will send a final notice of denial to the MBE. The MBE's name will be removed from the database of certified minority-owned businesses. If the denial is upheld following an informal hearing, the MBE may appeal the decision by submitting a written request for a formal hearing to the department within 30 calendar days of the mailing of the notification of denial.

### 7. What is meant by "relevant licenses"?

Relevant licenses include any incorporated company or limited liability partnership that needs to be currently registered with the Wisconsin Department of Financial Institutions. Any sole proprietor or general partnership trading under a trade name or assumed name needs a trade name issued by the Secretary of State's Office. In addition, relevant licenses can also include any locality's business licenses or trade licenses such as architects, CDL licenses, tax registration permits, etc.

### 8. Why does the form have to be notarized and mailed?

When a form is notarized, you are swearing and affirming that the information you have entered on the form is true, under penalty of perjury. Original signatures and the notary seal on a notarized document have to be mailed to the department or delivered by hand.

### 9. What does "supporting documentation" mean?

Supporting documentation means evidence that shows that what you have said in the application is true. The list of supporting documentation should be submitted with the application to prevent the delay in processing the MBE application. Most delays are caused by incomplete applications or missing documentation.

## 10. Why do I have to provide the supporting documents and what is the department's policy regarding the confidentiality of the supporting documents?

The department has to ascertain not only who owns the company, but also who controls and actively manages the company on a daily basis. Except as otherwise required by court order, legal process or other applicable Federal or Wisconsin law, including, without limitation, the Wisconsin Public Open Records Law (Wis. Stats. 19.31-19.39), the Department shall not reveal or disclose any financial or personally identifiable information without the written consent of the applicant.

### 11. What is the bank authorization and signature card?

The bank signature card is the application to open the account in the business name. It shows the authorized signatures of the person/people who own and control the bank account. This proves who actually controls the company on a day-to-day basis. If your bank will not give you a copy of that application form with signatures, ask them to write a letter of confirmation on their bank letterhead, stating who is the owner and signatory on the business account.

### 12. Do I have to send the original documents?

No. Please do not send us original documents, except the application form and affidavit. Send us copies only.

## 13. I'm already a certified DBE or WBE but I want to be certified as a MBE, what is the process?

Submit evidence of certification.

### 14. When / why does my certification expire?

The certification expires every year. The business may recertify their businesses for another year. The reason for the recertification is to ensure that our database of certified firms is always current, with actual firms doing business and with correct contact information.

### 15. Does certification guarantee that I will get state or other contracts?

No. It is not a guarantee of contracts. You will still need to do marketing and networking. The certification is established in order to facilitate contracting capabilities for minority-owned businesses with public and private sector entities. Certification doesn't give you anything in and of itself. Like any marketing tool, it's your strategy and plan that gets you the business. As a minority-certified company, you pitch your value with the vendor's awareness that you're a "diversity supplier" as a certified MBE. By registering in VendorNet, at least 5 percent of state purchasing and contracting is targeted to certified minority-owned businesses. Certified minority-owned firms are also eligible for a low-bid waiver as long as their bid is no higher than 5 percent of the lowest qualified responsible bidder

### 16. What is the purpose of an on-site visit?

The main purpose is to confirm what was written in the application and the supporting documentation. It gives the department a chance to see the business facilities, understand the daily management process and answer any remaining questions we have about a company's eligibility. The on-site visit is at the discretion of the department.

### 17. How long does the MBE certification process take?

Certifications generally take four to six weeks. Any deficiency in receipt of required information and documents may delay the certification process.

# 18. What do I need to do to stay in the Program when my certification expires? The department shall send a recertification application form to each MBE at least 60 calendar days prior to the certification expiration date.

## 19. Does the business need to be in operation at least a year in order to be eligible for WBE certification?

The MBE rule states that a business operating less than one year may create the presumption that an applicant does not or cannot satisfy the eligibility standards for certification as a MBE. In such cases, the applicant has the burden of establishing to the department's satisfaction that the business meets the eligibility standards despite being formed within one year prior to an application for

certification. Stock transferred from a nonminority-owned business to a minority owned within preceding year also creates the presumption of ineligibility.

For additional information on the certification program contact an Area Development Consultant at 608-267-9550.